

1 Q That's good enough. You testified in your
2 deposition that there was a \$50,000 gift from the
3 parents of, I think, Mr. Wiseman. Is that correct?

4 MR. HONIG: Objection. I think that
5 mischaracterizes the testimony.

6 JUDGE LUTON: Well, he's asking if it's
7 correct. It's a question. He put it in the form of a
8 question.

9 MR. HONIG: I'll withdraw the objection.

10 BY MR. HALAGAO:

11 Q Is that correct?

12 A That's, yes, that's what we --

13 Q Okay. The \$50,000 gift from -- was that to
14 cover the supposedly \$15,000 that was committed to the
15 partnership?

16 A I did not ask Mr. Wiseman where we would get
17 his money from. As I think I testified previously,
18 that was one of the documents that came to me. I took
19 it as verification that he, in fact, had additional
20 money. I did not get into where he would get it from.

21 Q The original sharing of the partnership, the
22 25 percent for the general partners and 75 percent to
23 the limited partner. How did that come about?

24 A That was part of the language that we
25 determined would be best to allocate to each area of

1 the partnership. I think, as I testified earlier,
2 counsel devised for us a skeleton from which to work in
3 that would be the best avenue to go for the limited
4 partnership and that particular percentage was one that
5 was agreeable to both parties.

6 Q In your integration statement, you will work
7 for a time with the station. I see that you have also
8 other endeavors in other areas, Mr. Matthews.

9 Would you please clarify for the court how
10 you'd be able to go with the station and all this other
11 endeavors that you listed in your declaration
12 statement?

13 MR. HONIG: Objection. I don't think the
14 question is specifically specific without identifying
15 what endeavors are being referred to.

16 MR. HALAGAO: Well, I would refer to all the
17 listed other activities of Mr. Matthews in his
18 integration statement.

19 JUDGE LUTON: Well, I don't think -- is your
20 point that the burden of specifying the activities that
21 might be affected when Mr. Halagao asked him the
22 questions?

23 MR. HONIG: Your Honor, I didn't understand
24 whether the reference was to specific activities or
25 whether it was to employment. I understand where Mr.

1 Halagao's going now. I will withdraw the objection.

2 JUDGE LUTON: Ask your question again, Mr.
3 Halagao.

4 BY MR. HALAGAO:

5 Q You testified that on this black book is a
6 publication that you testified that you will be quoting
7 it in the -- is that correct?

8 A Those are current plans, yes.

9 Q So I am referring to one, you've been with
10 that, if you will be full-time possibly with that
11 activity and then you will also be station manager of
12 the station.

13 How would you go for the full-time work of
14 the station?

15 MR. HONIG: Objection. Now I don't
16 understand that question as it's been restated.

17 JUDGE LUTON: The witness is being asked the
18 question. If the witness doesn't understand the
19 question, he can say so. But he doesn't need prompting
20 from counsel to express difficulty in understanding the
21 question.

22 MR. HONIG: I'm sorry, I honestly didn't
23 understand the question. If the witness understands
24 it, I have no objection to it.

25 THE WITNESS: We're talking about two

1 different activities. One would be anything relating
2 to the black book, that has to do with work,
3 employment, that's how I make my money. That's a
4 totally different activity from those activities and
5 responsibilities listed in exhibit 3, page 3. To my
6 way, that's different.

7 The black book is what is a yearly activity,
8 as I think I indicated earlier, that we do. It's
9 minority business directories. They're done throughout
10 the country. We're looking forward to doing that,
11 those activities are sales driven, they depend totally
12 on how much money is raised.

13 That's a one time deal. It's done, it's over
14 at that point. But that's an employment matter. If
15 we're fortunate enough and yes, we get granted the CP
16 and we can go with this thing, it really makes me more
17 than happy to go with it. But that's a different
18 matter from, if I'm understanding what you're talking
19 about, from my activities and civic responsibilities.

20 MR. HALAGAO: No further questions.

21 MR. HONIG: Your Honor, I have a few --

22 JUDGE LUTON: We did this with White. We
23 stopped it here. That was because White's not
24 represented. Peaches is represented, so we have
25 another round here.

1 Redirect.

2 MR. HONIG: Thank you, Your Honor.

3 REDIRECT EXAMINATION

4 BY MR. HONIG:

5 Q Mr. Matthews, yesterday early in Mr.
6 Winston's examination of you, Mr. Winston asked you
7 about individuals that had been suggested to you as
8 potential investors.

9 Would you enumerate and describe in your own
10 words any individuals, apart from Mr. Wiseman, who you
11 initially considered as potential investors, and how
12 you learned of those people?

13 MR. WINSTON: Objection, Your Honor. Some of
14 that goes beyond the scope of cross.

15 JUDGE LUTON: I don't know. I can't
16 remember. You say it sounds like. You're not sure
17 either. Overruled.

18 THE WITNESS: Well, as I indicated, we
19 composed a number of lists. Counsel was instructed, of
20 course, to come up with some names. And we've worked
21 with a number of people in Jacksonville and in many
22 cases, around the country.

23 Some of those persons we contacted were local
24 investors, such as Chester Stokes, who happened, at
25 that time, to be chairman of the transit authority.

1 He's a major land developer there in Jacksonville.

2 Mr. Howard Gibson, who is a major businessman
3 within the black community, very well known and former
4 council person and a friend of ours.

5 Mr. John Lewis, a former legislator and also
6 friend of the family and investor and developer.

7 We talked with all of those about being
8 involved in some phase of the operation. My network
9 within the NAACP was also extensive. We looked at Mr.
10 Moriales being one of those, primarily because we knew
11 of him, certainly his role of ex-Mayor of New Orleans.
12 But we had been working indirectly with me since 1983,
13 '84, when I was President of the local branch.

14 We have one of the largest desegregation
15 cases going in the country.

16 JUDGE LUTON: Wait, hold it. Was the
17 question simply for the witness to state the people
18 whom the applicant considered as potential investors?
19 Is that all it is?

20 MR. HONIG: No, I wanted him to name and
21 describe the background of those people and how he came
22 to know them.

23 JUDGE LUTON: I don't want an open-ended
24 thing here that's going to go on for 20 minutes.
25 That's my point. I don't see that this is terribly

1 important, quite frankly.

2 MR. HONIG: Okay, let me go to my next
3 question then.

4 BY MR. HONIG:

5 Q You also testified concerning United
6 Communications, Inc., UCI.

7 Would you explain when you first learned of
8 UCI and how that happened and -- that would be the
9 question. When did you first learn of them and how did
10 you learn of them?

11 A We learned of them through a conversation, a
12 very brief conversation, I had with and a phone call I
13 made to Mr. Ernest Moriel at that point, about possibly
14 coming in with us as a limited partner. I knew of him
15 through work with the NAACP and his chairmanship with
16 the special contributions.

17 He expressed to us some interest and
18 indicated to me that he was involved with a group of
19 investors, all of them African American, that might be
20 interested in this. We were to get back with him. We
21 never did get back with him, but we had some initial
22 knowledge of it at that point.

23 Subsequently, of course, in terms of what we
24 wanted to do, instructions to you to do a search on
25 that end and then the name of Mr. Doss came up with UCI

1 and we began what we testified to earlier.

2 Q The second half of the question is when did
3 you have this initial conversation with Mr. Moriel?

4 A That had to be in early October of 1989. It
5 wasn't a very long conversation, but we called him. He
6 was on the list of names of persons we had to contact.
7 And again, I'd know him for years because of his work
8 at the association.

9 Q Now, there was also testimony concerning two
10 attorneys who Peaches retained. I want to just pin
11 down dates. One was me and one was Rodney Gregory, I
12 believe was the testimony.

13 When did you retain each of those people?

14 A For this case or for general?

15 Q You probably better answer both questions.
16 When, generally, was the first you retained either and
17 then when for this case?

18 A For you, we first worked with you back in
19 1984. At that time, I was President of the
20 Jacksonville Branch of the NAACP. We were looking at
21 the challenge to the reapplication of Channel 17 at
22 that time. I think you were working as the counsel in
23 association with the NAACP and other groups and we had
24 you to work with us to put together the information we
25 needed in order to talk with the television stations,

1 which was already in a great deal of things happening
2 from there. That was as early as 1984.

3 Mr. Gregory, we retained him, I think, almost
4 at the outset of formulating Peaches Productions group,
5 which would have been early 1988, when we put it into
6 its present mode. And he continued on as our counsel.

7 And of course, Mr. Gregory works with us also
8 as counsel to the Jacksonville branch. He's a Board
9 member there, which I'm a Board member also. So our
10 relationship is rather lengthy. It's not that it just
11 started.

12 Q Now, today, you testified concerning a
13 television program, Rising Star. Now would you
14 describe in your own words what plans you have for
15 Rising Star if Peaches is awarded the station?

16 A Well, our plans for Rising Star would be, as
17 would be most of the activities, all of those would be
18 put on the back burner, as we indicated. Our full
19 attention would be focused on making the station a
20 success.

21 Q Finally, Mr. Halagao asked you about a pledge
22 of prosecution expenses, \$65,000 from Mr. Wiseman. I
23 believed you testified that he had put in \$15,000 of
24 that.

25 Would you describe the status of the other

1 \$50,000?

2 A There was no need, at that point, for Mr.
3 Wiseman to put in any more. The nature of our
4 agreement was that whenever we called for those
5 particular funds for their usage, his guarantee, his
6 agreement to the partnership, indicated that he had to
7 provide them.

8 He had no input into day to day operations
9 and he can not tell us what to do. He agreed to
10 provide the funds on an as needed basis and that's what
11 we continue.

12 MR. HONIG: I have no further questions.

13 JUDGE LUTON: Recross?

14 RE CROSS EXAMINATION

15 BY MR. WINSTON:

16 Q What steps did you take to determine that Mr.
17 Wiseman could provide \$65,000?

18 MR. HONIG: Objection. Not within the scope
19 of redirect.

20 JUDGE LUTON: It sure doesn't seem to be.
21 Sustained.

22 BY MR. WINSTON:

23 Q Was there a document that obligated Mr.
24 Wiseman to put up \$65,000?

25 MR. HONIG: Same objection.

1 JUDGE LUTON: Sustained.

2 MR. WINSTON: Your Honor, I think that the
3 second question -- if I may be heard -- he testified at
4 length on redirect about where this money was and what
5 happened to it and I'm just trying to find out if there
6 ever a document that memorialized these things that he
7 just testified to.

8 MR. HONIG: Your Honor, if I may --

9 JUDGE LUTON: I didn't hear that on redirect.
10 Go ahead.

11 MR. HONIG: The purpose of the question on
12 redirect was just to find out what was its status, had
13 it been called. It didn't make reference to what was
14 the applicant's reliance on that. That was thoroughly
15 covered --

16 JUDGE LUTON: Objection sustained.

17 BY MR. WINSTON:

18 Q Mr. Matthews, you just testified that you
19 will discontinue the Rising Star program after your
20 application would be granted.

21 Is that your testimony?

22 Let me rephrase the question. Was your
23 testimony that you would discontinue production of the
24 Rising Star program if your pending application was
25 granted?

1 A That's correct.

2 Q Is that stated anywhere in your direct
3 testimony in this case?

4 A I think that -- well, I have to presume that
5 when we indicated non-broadcast operations is what I
6 indicated to you in my response earlier, that I did not
7 necessarily view the production of Rising Star as a
8 broadcast operation, because we are producers of the
9 program, we provide it to a station, they broadcast it.

10 But, my indications were a few moments ago,
11 we were not going to continue Rising Star if we
12 received the CP.

13 JUDGE LUTON: What is the answer to the
14 question Mr. Winston asked? What is your answer to the
15 question whether they there is stated anywhere in your
16 direct case your plans for dropping Rising Star in the
17 event Peaches is successful here?

18 What is your answer to that question? Is it
19 stated in your direct case or is it not?

20 THE WITNESS: Not being facetious, Your
21 Honor, but I presuming that when we stated non-
22 broadcast operations, I consider Rising Star to be a
23 non-broadcast operation and it would discontinue.

24 JUDGE LUTON: All right. That's good enough.
25 Only seeking your answer, whatever you mean to say.

1 MR. WINSTON: No further questions.

2 JUDGE LUTON: Mr. Halagao?

3 MR. HALAGAO: No recross, Your Honor.

4 JUDGE LUTON: Mr. Matthews, you may step
5 down.

6 THE WITNESS: Thank you.

7 (Witness excused.)

8 JUDGE LUTON: Who is your next witness? Why
9 don't we take a ten-minute recess? Off the record.

10 (Discussion off the record.)

11 JUDGE LUTON: On the record. Your next
12 witness, Mr. Honig?

13 MR. HONIG: Mrs. Matthews is our next
14 witness.

15 JUDGE LUTON: If you'll take the stand
16 please.

17 Whereupon,

18 ANNA MARIA MATTHEWS

19 was called as a witness and, having first been duly
20 sworn, was examined and testified as follows:

21 JUDGE LUTON: Please be seated.

22 DIRECT EXAMINATION

23 BY MR. HONIG:

24 Q Will you state your full name, please?

25 A My name is Anna Maria Matthews.

1 Q And your address?

2 A I reside at 9130 11th Avenue in Jacksonville,
3 Florida.

4 Q Is the witness speaking loud enough?

5 You have before you a package of exhibits
6 labeled Peaches 1 through Peaches 6. At the end of
7 each exhibit, there appears a page, it is the last page
8 of each respective exhibit. Each page contains an
9 affidavit of yours with what appears to be your
10 signature.

11 Now, are those, in fact, your signatures?

12 A You want me to look at all six of them?

13 Q Yes.

14 A Yes, they're all mine.

15 MR. HONIG: The exhibits are already in
16 evidence, so I have no further questions and the
17 witness is available for cross-examination.

18 JUDGE LUTON: Who wants to be first?

19 MR. WINSTON: I will, Your Honor.

20 CROSS EXAMINATION

21 BY MR. WINSTON:

22 Q Mrs. Matthews, when did you first become
23 aware that a frequency was available in an FM station
24 in Baldwin, Florida?

25 A As best as I can recall, it would have been

1 sometime in '89.

2 Q And how did you learn the frequency would be
3 available?

4 A From my husband.

5 Q When did you first meet Mr. David Honig, your
6 counsel here?

7 A I met David, it would have been late '88 or
8 '89. We'd spoken on the phone a number of times, but I
9 only met him in person around '88 or '89.

10 Q Have you ever met Mr. Steven Wiseman?

11 A No, I have not.

12 Q Do you know who he is?

13 A Yes, I know of him.

14 Q Who is he?

15 A He was our original limited partner.

16 Q And you said you never met him. Did you ever
17 speak to him on the phone?

18 A Yes.

19 Q Okay. Can you tell me in what context?

20 A The first time he was returning a call from
21 my husband. Most of the time when I spoke to me, he
22 was returning calls. We spoke briefly. He let me know
23 that he was returning the call, where he would be
24 available for us to call him back. It was just casual
25 conversation.

1 Q Did you ever speak to Mr. Wiseman concerning
2 the application itself?

3 A Yes.

4 Q In what context?

5 A When I found out that he wanted to get out of
6 the partnership.

7 Q And when was that?

8 A It was after the application was filed. The
9 application was filed in December of '89. So it had to
10 early '90.

11 Q Okay. Can you describe that conversation?

12 A Well, again, he was calling, he was returning
13 a call, but I was already aware that he wanted to get
14 out of the application. So he and I talked about it
15 for a few minutes. And I asked him if there was
16 anything wrong or that kind -- just the usual inquiries
17 as to why he wanted to get out.

18 Q And what did he say?

19 A He simply said that he wanted to pursue other
20 interests.

21 Q How long was that conversation?

22 A I would say roughly about ten minutes.

23 Q You said that was the only conversation you
24 ever had with me concerning the application.

25 Is that correct?

1 A Yes.

2 Q Did Mr. Wiseman ever commit to provide funds
3 to Peaches Broadcast Limited?

4 A In the beginning, yes.

5 Q Did you have any conversations concerning
6 those funds?

7 A There may have been a brief conversation in
8 the beginning when we were getting the procedure for
9 the initial funds together. We would call back and
10 forth to decide when we would be able to talk on the
11 phone or if a fax was the best way to go or just a
12 conversation.

13 Q This was in terms of how to get money from
14 him to you?

15 A Yes. The procedure that we were going to
16 use.

17 Q Did you take any steps to determine whether
18 or not Mr. Wiseman had the funds available to provide
19 Peaches that he committed to provide?

20 A No, I did not.

21 Q Do you know if anybody else did?

22 A I'm sure that Fred did.

23 Q But you don't know what steps Fred took, Fred
24 being your husband, Fred Matthews?

25 A Yes. I would -- I'm sure that we have a

1 letter from Mr. Wiseman and I do believe we have a
2 financial, some sort of a financial statement or some
3 information on him that let Fred know that he was
4 financially reliable.

5 Q But you had not spoken with Mr. Wiseman
6 concerning the Peaches application under after the
7 application was filed?

8 A Right.

9 Q Mr. Honig; had you spoken with Mr. Honig
10 concerning the Peaches application prior to the time
11 the application was filed?

12 A Yes.

13 Q This meaning a sit down, face to face
14 conversation with him?

15 A Yes.

16 Q Do you recall being deposed in this
17 proceeding?

18 A Yes.

19 Q On June 24th, 1991, in Jacksonville, Florida?

20 A Yes.

21 Q Let me show you -- looking at Page Six of
22 your deposition, have you seen this document before?

23 A Yes.

24 Q This is a transcript of your deposition taken
25 on June 24th, 1991?

1 A Right.

2 Q Turning to Page Six of that document and
3 looking at lines 17 through 19, I'm going to show that
4 to you. It states, did you -- at line 17, question:
5 did you ever sit down and talk with him, him being Mr.
6 Honig, concerning the Peaches application?

7 Answer: No.

8 A Right.

9 Q Am I reading that correctly?

10 A You are.

11 Q And you were asked that question again and
12 answered at that time?

13 A Yes.

14 Q Okay. Are you testifying that answer was
15 incorrect?

16 A It was incorrect.

17 Q Okay. Could you tell me know what the
18 correct answer to that question is?

19 A I recall having at least one sit down
20 conversation with Mr. Honig and with my husband present
21 before the application was filed.

22 Q Okay. Can you explain why you gave an
23 incorrect answer at your deposition?

24 A Well, at the time, in the first deposition, I
25 truly did not remember having the conversation. The

1 conversation was held during a time when we were
2 involved in a NAACP conference and we had a lot going
3 on that day. And I just simply did not remember.

4 Q How did you get your recollection refreshed?

5 A Well, I read my deposition and I have other
6 information throughout. I remember. There was no
7 attempt to mislead or lie. I simply did not remember
8 at that time.

9 Q Did you discuss this answer with anyone upon
10 reading your deposition?

11 A Well, when my husband read it, he brought it
12 to my attention. So he and I talked about it.

13 Q Do you know Mr. Thomas Johnson?

14 A Not personally. I've never met him.

15 Q Have you ever spoken to him?

16 A I think I maybe have once, maybe once.

17 Q Do you recall stating at your deposition that
18 you had not spoken to Mr. Johnson?

19 A No, I don't recall that.

20 Q I'll refer you to Page Seven of the
21 deposition previously shown to you. Your attention is
22 directed to line 1 through 8. Just take a second to
23 read that.

24 A Yes.

25 Q And we're referring to Mr. Johnson on line 1.

1 Line 7 says, have you ever spoken to him. Your answer
2 was no.

3 Were you asked that question and did you give
4 that answer at deposition?

5 A Evidently, I did.

6 Q Could you explain, Mrs. Matthews, why you
7 gave the answer no when asked if you had spoken to Mr.
8 Johnson?

9 A I don't remember speaking to him. I didn't
10 say just now that I did. I said I may have spoken to
11 him once. I'm still not sure. I've spoken to most of
12 the people involved in the application, sometimes, and
13 some of them, I've never spoken to. So, it's been a
14 long process and the conversations are short when I
15 have them, so I don't always remember them.

16 Q So you're not contradicting your deposition
17 testimony?

18 A No, I'm not.

19 Q Do you know Mr. Larry Doss?

20 A I've spoken with him.

21 Q And who is Mr. Doss?

22 A Mr. Doss is President of UCI.

23 Q And is UCI involved in your application?

24 A Yes, they are.

25 Q What are their role in your application?

1 A They are our limited partners.

2 Q When was the first time you spoke to Mr.
3 Doss?

4 A To the best of my recollection, it was before
5 depositions, but I'm not sure of the exact date or
6 time.

7 Q Approximately a week before the deposition?

8 A Possibly.

9 Q Did you have any conversations with Mr. Doss
10 prior to the time UCI became a limited partner in
11 Peaches Broadcast Limited?

12 A I don't believe I did, no.

13 Q Did you have any conversations with anyone
14 else connected with UCI prior to the time UCI became a
15 limited partner?

16 A No.

17 Q Do you know who Mr. York Cleve is?

18 A I know of him.

19 Q Okay, who is he?

20 A He is the President of CBC, which is a
21 capital corporation.

22 Q Does CBC have some involvement with your
23 application?

24 A Yes.

25 Q And what is that involvement?

1 A They will provide the capital that we need to
2 construct the station.

3 Q Have you ever spoken to Mr. Cleve?

4 A No.

5 Q Has Peaches received any documents from Mr.
6 Cleve concerning construction costs, I'm sorry,
7 construction funding?

8 A Yes.

9 Q Did you have any involvement in obtaining any
10 of those letters from Cleve?

11 A No.

12 Q Have you had any involvement in obtaining a
13 site for Peaches to locate its proposed transmitter on?

14 A Involvement as in?

15 Q Did you direct someone to locate a site for
16 Peaches?

17 A I wouldn't think so. I think Fred would have
18 taken care of that.

19 Q Did you have any other involvement in
20 obtaining the transmitter site for Peaches?

21 A As far as -- I don't profess to be an
22 engineer -- I truly left the technical part of the
23 application to Fred. He informed me of what's being
24 done and why and he explained the process and the
25 procedure to me. But I'm not an engineer, so I

1 wouldn't know.

2 I knew it was going to be in Baldwin and I
3 knew we had to have a site for the transmitter. I'm
4 familiar with transmitters and I know they have to be
5 somewhere, but I can't say that I would know how to
6 direct someone to go to that.

7 Fred did and that's what he did. He has
8 expertise in that area.

9 Q Thank you. Let me put in front of you a --
10 it's entitled estimate of costs for construction and
11 operation for three months without revenue. It's a
12 cover page and two following pages.

13 Have you ever seen that document before?

14 A Yes, I have.

15 Q Can you tell me what it is?

16 A It is what it says. It is the estimate of
17 what we said it would cost us to construct and operate
18 the station for three months without revenue.

19 Q Did you have any involvement in the
20 preparation of that?

21 A Yes, I did.

22 Q Do you recall stating at your deposition that
23 you had no involvement in the preparation of the cost
24 estimates?

25 A No, I don't recall that.

1 Q Turning to Page Ten of your deposition,
2 looking at line 14 through 17, the question was asked:
3 Okay, did you have any involvement in preparing the
4 cost estimates for Peaches the -- showing the cost of
5 construction of the station?

6 A Answer: No.

7 Q Am I reading that correctly?

8 A Yes, you are.

9 Q Were you asked that question and did you give
10 that answer?

11 A Evidently.

12 Q Can you explain why you said, at that time,
13 that you had no involvement preparing cost estimates?

14 A Again, I can only assume that I did not
15 totally remember. I don't profess to remember
16 everything I did.

17 Q Your testimony now is contradicting the
18 testimony of your deposition.

19 Is that your testimony now. Your testimony
20 now is that you were involved?

21 A I was involved, yes.

22 Q Looking back, can you tell me what
23 involvement you had in the preparation of cost
24 estimates?

25 A My particular involvement was in helping to